

106TH CONGRESS
2D SESSION

H. R. 3655

To make certain improvements to the military health care system.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 2000

Mr. ABERCROMBIE (for himself, Mr. SKELTON, Mr. TAYLOR of Mississippi, Mr. LARSON, Mr. REYES, Mr. THOMPSON of California, Mrs. TAUSCHER, Mr. MALONEY of Connecticut, Ms. MCKINNEY, Mr. TURNER, Mr. KENNEDY of Rhode Island, Mr. ORTIZ, Ms. SANCHEZ, Mr. RODRIGUEZ, Mr. SMITH of Washington, Mr. UNDERWOOD, and Mr. SISISKY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Armed Services, Commerce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To make certain improvements to the military health care system.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improved Medical Care
5 for Troops and Retirees Act”.

1 **SEC. 2. MEDICARE SUBVENTION PROJECT FOR MILITARY**
2 **RETIREES AND DEPENDENTS.**

3 (a) FUTURE REPEAL OF LIMITATION ON NUMBER OF
4 SITES.—Effective January 1, 2001, paragraph (2) of sec-
5 tion 1896(b) of section 1896 of the Social Security Act
6 (42 U.S.C. 1395ggg) is amended to read as follows:

7 “(2) LOCATION OF SITES.—The program shall be
8 conducted in any site designated jointly by the admin-
9 istering Secretaries, and shall be conducted nationwide by
10 January 1, 2006.”.

11 (b) MAKING PROJECT PERMANENT; CHANGES IN
12 PROJECT REFERENCES.—

13 (1) ELIMINATION OF TIME LIMITATION.—Para-
14 graph (4) of section 1896(b) of such Act is repealed.

15 (2) TREATMENT OF CAPS.—Subsection (i)(4) of
16 section 1896 of such Act is amended by adding at
17 the end the following:

18 “This paragraph shall not apply after calendar
19 year 2001.”.

20 (3) CONFORMING CHANGES OF REFERENCES TO
21 DEMONSTRATION PROJECT.—Section 1896 of such
22 Act is further amended—

23 (A) in the heading, by striking “DEM-
24 ONSTRATION PROJECT” and inserting “PRO-
25 GRAM”;

1 (B) by amending subsection (a)(2) to read
2 as follows:

3 “(2) PROGRAM.—The term ‘program’ means the pro-
4 gram carried out under this section.”;

5 (C) in the heading to subsection (b), by
6 striking “DEMONSTRATION PROJECT” and in-
7 serting “PROGRAM”;

8 (D) by striking “demonstration project” or
9 “project” each place either appears and insert-
10 ing “program”;

11 (E) in subsection (k)(2)—

12 (i) by striking “EXTENSION AND EX-
13 PANSION OF DEMONSTRATION PROJECT”
14 and inserting “PROGRAM”; and

15 (ii) by striking subparagraphs (A)
16 through (C) and inserting the following:

17 “(A) whether there is a cost to the health
18 care program under this title in conducting the
19 program under this section; and

20 “(B) whether the terms and conditions of
21 the program should be modified.”.

22 (4) REPORTS.—Subsection (k)(1) of section
23 1896 is amended in the second sentence—

24 (A) by striking “the demonstration
25 project” and inserting “the program”;

1 (B) by striking “, and the” and all that
2 follows through “date”;

3 (C) by redesignating subparagraph (O) as
4 subparagraph (P); and

5 (D) by inserting after subparagraph (N)
6 the following new subparagraph:

7 “(O) Patient satisfaction with the pro-
8 gram.”.

9 (5) ADDITIONAL CONFORMING AMENDMENTS.—
10 Section 1896(b) of such Act is further amended—

11 (A) by redesignating paragraph (5) as
12 paragraph (4); and

13 (B) by striking “At least 60 days” and all
14 that follows through “agreement” and inserting
15 “The administering Secretaries shall submit on
16 an annual basis the most current agreement”.

17 (6) CONTINUATION OF PROVISION OF CARE.—
18 Section 1896(b) of such Act is further amended by
19 adding at the end the following new paragraph:

20 “(6) CONTINUATION OF PROVISION OF CARE.—
21 With respect to any individual who receives health
22 care benefits under this section before the date of
23 the enactment of this paragraph, the administering
24 Secretaries shall not terminate such benefits unless
25 the individual ceases to fall within the definition of

1 the term ‘medicare-eligible military retiree or de-
2 pendent’ (as defined in subsection (a)).”.

3 (c) PAYMENTS.—

4 (1) PERMITTING PAYMENTS ON A FEE-FOR-
5 SERVICE BASIS.—Section 1896 of the Social Security
6 Act is further amended by adding at the end the fol-
7 lowing new subsection:

8 “(l) PAYMENT ON A FEE-FOR-SERVICE BASIS.—In-
9 stead of the payment method described in subsection (i)(1)
10 and in the case of individuals who are not enrolled in the
11 program in the manner described in subsection (d)(1), the
12 Secretary may reimburse the Secretary of Defense for
13 services provided under the program at a rate that does
14 not exceed the rate of payment that would otherwise be
15 made under this title for such services if sections 1814(c)
16 and 1835(d), and paragraphs (2) and (3) of section
17 1862(a), did not apply.”.

18 (2) PAYMENTS TO MILITARY TREATMENT FA-
19 CILITIES.—Such section is further amended by add-
20 ing at the end the following new subsection:

21 “(m) PAYMENTS TO MILITARY TREATMENT FACILI-
22 TIES.—The Secretary of Defense shall reimburse military
23 treatment facilities for the provision of health care under
24 this section.”.

1 (3) CONFORMING AMENDMENTS.—Such section
2 is further amended—

3 (A) in subsections (b)(1)(B)(v) and
4 (b)(1)(B)(viii)(I), by inserting “or subsection
5 (l)” after “subsection (i)”;

6 (B) in subsection (b)(2), by adding at the
7 end the following: “If feasible, at least one of
8 the sites shall be conducted using the fee-for-
9 service reimbursement method described in sub-
10 section (l).”;

11 (C) in subsection (d)(1)(A), by inserting
12 “(insofar as it provides for the enrollment of in-
13 dividuals and payment on the basis described in
14 subsection (i))” before “shall meet”;

15 (D) in subsection (d)(1)(A), by inserting
16 “and the program (insofar as it provides for
17 payment for facility services on the basis de-
18 scribed in subsection (l)) shall meet all require-
19 ments for such facilities under this title” after
20 “medicare payments”;

21 (E) in subsection (d)(2), by inserting “, in-
22 sofar as it provides for the enrollment of indi-
23 viduals and payment on the basis described in
24 subsection (i),” before “shall comply”;

1 (F) in subsection (g)(1), by inserting “, in-
 2 sofar as it provides for the enrollment of indi-
 3 viduals and payment on the basis described in
 4 subsection (i),” before “the Secretary of De-
 5 fense”;

6 (G) in subsection (i)(1), by inserting “and
 7 subsection (l)” after “of this subsection”;

8 (H) in subsection (i)(4), by inserting “and
 9 subsection (l)” after “under this subsection”;
 10 and

11 (I) in subsection (j)(2)(B)(ii), by inserting
 12 “or subsection (l)” after “subsection (i)(1)”.

13 (3) EFFECTIVE DATE.—The amendments made
 14 by this subsection take effect on January 1, 2001,
 15 and apply to services furnished on or after such
 16 date.

17 (d) ELIMINATION OF RESTRICTION ON ELIGI-
 18 BILITY.—Section 1896(b)(1) of such Act is amended by
 19 adding at the end the following new subparagraph:

20 “(C) ELIMINATION OF RESTRICTIVE POL-
 21 ICY.—If the enrollment capacity in the program
 22 has been reached at a particular site designated
 23 under paragraph (2) and the Secretary there-
 24 fore limits enrollment at the site to medicare-
 25 eligible military retirees and dependents who

1 are enrolled in TRICARE Prime (as defined for
2 purposes of chapter 55 of title 10, United
3 States Code) at the site immediately before at-
4 taining 65 years of age, participation in the
5 program by a retiree or dependent at such site
6 shall not be restricted based on whether the re-
7 tiree or dependent has a civilian primary care
8 manager instead of a military primary care
9 manager.”.

10 (e) MEDIGAP PROTECTION FOR ENROLLEES.—Sec-
11 tion 1896 of such Act is further amended by adding at
12 the end the following new subsection:

13 “(m) MEDIGAP PROTECTION FOR ENROLLEES.—(1)
14 Subject to paragraph (2), the provisions of section
15 1882(s)(3) (other than clauses (i) through (iv) of subpara-
16 graph (B)) and 1882(s)(4) of the Social Security Act shall
17 apply to any enrollment (and termination of enrollment)
18 in the program (for which payment is made on the basis
19 described in subsection (i)) in the same manner as they
20 apply to enrollment (and termination of enrollment) with
21 a Medicare+Choice organization in a Medicare+Choice
22 plan.

23 “(2) In applying paragraph (1)—

24 “(A) in the case of enrollments occurring before
25 January 1, 2001, any reference in clause (v) or (vi)

1 of section 1882(s)(3)(B) of such Act to 12 months
2 is deemed a reference to the period ending on De-
3 cember 31, 2001; and

4 “(B) the notification required under section
5 1882(s)(3)(D) of such Act shall be provided in a
6 manner specified by the Secretary of Defense in con-
7 sultation with the Director of the Office of Per-
8 sonnel Management.”.

9 (f) REIMBURSEMENT RATES.—Section 1896 of such
10 Act is further amended in subsection (i)(1) by striking “95
11 percent of”.

12 **SEC. 3. EXTENSION OF FEHBP DEMONSTRATION PROGRAM.**

13 Section 1108 of title 10, United States Code, is
14 amended—

15 (1) in subsection (b), by adding at the end the
16 following new paragraph:

17 “(6) With respect to any individual who enrolls in the
18 program under this section and does not elect to dis-
19 continue enrollment, the Secretary shall not terminate the
20 enrollment of such individual after the termination of the
21 demonstration project unless the individual ceases to meet
22 the requirements described in subsection (b)(1).”;

23 (2) in subsection (d)—

24 (A) in paragraph (1), by striking “three”
25 and inserting “four”; and

1 (B) in paragraph (2), by striking “2002”
2 and inserting “2003”;
3 (3) in subsection (f)(1), by striking “three” and
4 inserting “four”;
5 (4) in subsections (j)(1) and (k), by striking
6 “2002” and inserting “2003”; and
7 (5) in subsection (l)(2), by striking “36
8 months” and inserting “48 months”.

9 **SEC. 4. COVERAGE OF FAMILY MEMBERS UNDER SUPPLE-**
10 **MENTAL CARE PROGRAM FOR MEMBERS AS-**
11 **SIGNED TO CERTAIN DUTY LOCATIONS FAR**
12 **FROM SOURCES OF CARE.**

13 Section 731(b) of the National Defense Authorization
14 Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C.
15 1074 note) is amended by adding at the end the following
16 new paragraph:

17 “(4) A family member of a member described
18 in subsection (c) shall also be eligible to receive the
19 care described in subsection (a). For purposes of
20 this subsection, the term ‘family member’ shall have
21 the same meaning as the term ‘dependent’, as de-
22 fined for purposes of title 10, United States Code.”.

1 **SEC. 5. EXPANSION OF PHARMACY PROGRAM.**

2 Section 723 of the Strom Thurmond National De-
3 fense Authorization Act for Fiscal Year 1999 (Public Law
4 105–261; 10 U.S.C. 1073 note) is amended—

5 (1) in subsection (a), by striking “who reside in
6 an area selected under subsection (f)”;

7 (2) by amending subsection (f) to read as fol-
8 lows:

9 “(f) BENEFITS TO BE OFFERED.—The pharmacy
10 benefits provided under the redesigned system imple-
11 mented under this section shall be at least equivalent to
12 the pharmacy benefits provided under section 702 of the
13 National Defense Authorization Act for Fiscal Year 1993
14 (Public Law 102–484; 10 U.S.C. 1079 note).”; and

15 (3) by adding at the end the following new sub-
16 section:

17 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated to carry out this
19 section—

20 “(1) \$455,000,000 for fiscal year 2001; and

21 “(2) \$485,000,000 for fiscal year 2002.”.

22 **SEC. 6. IMPROVEMENTS UNDER THE TRICARE PROGRAM.**

23 (a) ELIMINATION OF COPAYMENTS UNDER
24 TRICARE PRIME.—(1) Chapter 55 of title 10, United
25 States Code, is amended in section 1095d by adding at
26 the end the following new subsection:

1 “(c) TERMINATION OF COPAYMENTS FOR CERTAIN
 2 COVERED BENEFICIARIES.—The Secretary may not re-
 3 quire a member of the uniformed services on active duty,
 4 or the dependent of such a member, to pay a copayment
 5 for health care services received under TRICARE
 6 Prime.”.

7 (2) The heading of such section is amended to read
 8 as follows:

9 **“§ 1095d. TRICARE program: waiver of certain**
 10 **deductibles and copayments”.**

11 (3) The item relating to section 1095d in the table
 12 of sections at the beginning of such chapter 55 is amended
 13 to read as follows:

“1095d. TRICARE program: waiver of certain deductibles and copayments.”.

14 (b) ELIMINATION OF NON-AVAILABILITY STATE-
 15 MENT REQUIREMENT; REDUCTION OF CATASTROPHIC
 16 CAP.—Chapter 55 of title 10, United States Code, is
 17 amended by inserting after section 1095e the following
 18 new section:

19 **“§ 1095f. TRICARE Program: non-availability state-**
 20 **ment; catastrophic cap**

21 “(a) PROHIBITION ON REQUIREMENT TO OBTAIN
 22 NON-AVAILABILITY STATEMENT.—The Secretary shall
 23 not require a covered beneficiary to obtain a non-avail-
 24 ability statement in order to receive health care services
 25 under TRICARE Standard.

1 “(b) REDUCTION OF CATASTROPHIC CAP.—The Sec-
 2 retary shall reduce the catastrophostrophic cap for covered
 3 beneficiaries under TRICARE Standard and TRICARE
 4 Extra to \$3,000.”.

5 (2) The table of sections at the beginning of such
 6 chapter is amended by inserting after the item relating
 7 to section 1095e the following new item:

“1095f. TRICARE Program: Non-Availability Statement; Catastrophic Cap.”.

8 **SEC. 7. REIMBURSEMENT FOR CERTAIN TRAVEL EX-**
 9 **PENSES.**

10 (a) IN GENERAL.—Chapter 55 of title 10, United
 11 States Code, is amended by inserting after section 1074g
 12 the following new section:

13 **“§ 1074h. Reimbursement for certain travel expenses**

14 “In any case in which a covered beneficiary is re-
 15 ferred by a primary care physician to a specialty care pro-
 16 vider who provides services more than 100 miles from the
 17 location in which the primary care provider provides serv-
 18 ices to the member, the Secretary shall provide reimburse-
 19 ment for reasonable travel expenses for the covered bene-
 20 ficiary.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
 22 at the beginning of such chapter is amended by adding
 23 at the end the following new item:

“1074h. Reimbursement for certain travel expenses.”.

